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**ST. MARTIN PARISH ASSESSOR**  
**St. Martinville, Louisiana**

**Financial Report**

**Year Ended December 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/18/08

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## INDEPENDENT AUDITORS' REPORT

The Honorable Lawrence Patin  
St. Martin Parish Assessor  
St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Martin Parish Assessor, as of and for the year ended December 31, 2007, which collectively comprise the St. Martin Parish Assessor's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the St. Martin Parish Assessor's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the St. Martin Parish Assessor, as of December 31, 2007, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 7, 2008 on our consideration of the St. Martin Parish Assessor's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

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The required supplementary information on page 23 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

The St. Martin Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the St. Martin Parish Assessor's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
March 7, 2008

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

**ST. MARTIN PARISH ASSESSOR**  
**St. Martinville, Louisiana**

**Statement of Net Assets**  
**December 31, 2007**

	<u>Governmental Activities</u>
<b>ASSETS</b>	
Current Assets:	
Cash and interest-bearing deposits	\$ 985,278
Receivables:	
Ad valorem taxes	583,613
Allowance for uncollectibles	(92,173)
Accrued interest	<u>7,992</u>
Total current assets	<u>1,484,710</u>
Noncurrent assets:	
Capital assets, net	<u>35,622</u>
Total assets	<u>1,520,332</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	<u>1,160</u>
<b>NET ASSETS</b>	
Invested in capital assets	35,622
Unrestricted	<u>1,483,550</u>
Total net assets	<u>\$ 1,519,172</u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Statement of Activities  
For the Year Ended December 31, 2007

Expenses:

General government:

Personnel services and related benefits	\$ 495,946
Operating services	53,353
Operations and maintenance	<u>77,559</u>
Total expenses	<u>626,858</u>

Program revenues:

Charges for services	<u>7,407</u>
Net program expense	<u>(619,451)</u>

General revenues:

Property taxes	555,707
State revenue sharing	84,599
Interest and investment earnings	44,587
Other	<u>7,214</u>
Total general revenues	<u>692,107</u>

Change in net assets	72,656
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Beginning net assets	<u>1,446,516</u>
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Ending net assets	<u>\$ 1,519,172</u>
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The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2007

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and interest-bearing deposits	\$ 985,278
Receivables:	
Ad valorem taxes	583,613
Allowance for uncollectibles	(92,173)
Accrued interest	<u>7,992</u>
Total assets	<u>\$ 1,484,710</u>
<b>LIABILITIES AND FUND BALANCE</b>	
Accounts payable	\$ 1,160
Fund balance:	
Unreserved, undesignated	<u>1,483,550</u>
Total liabilities and fund balance	<u>\$ 1,484,710</u>

The accompanying notes are an integral part of the basic financial statements.

**ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana**

**Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2007**

Total fund balance for the governmental fund at December 31, 2007	<b>\$ 1,483,550</b>
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment and vehicles, net of \$347,202 accumulated depreciation	<u>35,622</u>
Total net assets of governmental activities at December 31, 2007	<u><b>\$ 1,519,172</b></u>

The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund  
Year Ended December 31, 2007

Revenues:

Intergovernmental revenues -

Ad valorem taxes	\$ 555,707
Preparation of tax roll	7,407
State revenue sharing	84,599
Interest	44,587
Other	<u>7,214</u>
Total revenues	<u>699,514</u>

Expenditures:

Current -

Personnel services and related benefits	495,946
Operating services	53,353
Operations and maintenance	47,792
Capital outlay	<u>9,876</u>
Total expenditures	<u>606,967</u>

Excess of revenues over expenditures	92,547
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Fund balance, beginning of year	<u>1,391,003</u>
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Fund balance, end of year	<u>\$1,483,550</u>
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The accompanying notes are an integral part of the basic financial statements.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2007

Total net change in fund balance for the year ended December 31, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 92,547
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The change in net assets reported for governmental activities in the  
statement of activities is different because:

Governmental funds report capital outlays as expenditures. However,  
in the statement of activities, the cost of those assets is allocated over  
their estimated useful lives and reported as depreciation expense.

Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 9,876
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Because governmental funds do not record fixed assets, any assets disposed of do not affect the statement of revenues, expenditures, and changes in fund balances. However, a trade-in of an asset affects the statement of activities. A vehicle was traded in on an operating lease and therefore, a loss was recognized on the statement of activities.	\$ (8,505)
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Depreciation expense for the year ended December 31, 2007	<u>(21,262)</u> <u>(19,891)</u>
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Total change in net assets at December 31, 2007 per Statement of Activities	<u>\$ 72,656</u>
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The accompanying notes are an integral part of the basic financial statements.

**ST. MARTIN PARISH ASSESSOR**  
St. Martinville, Louisiana

**Notes to Basic Financial Statements**

**(1) Summary of Significant Accounting Policies**

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a term of four years. The Assessor assesses property, prepares tax rolls and submits the rolls to the Louisiana Tax Commission as prescribed by law.

The accompanying financial statements of the St. Martin Parish Assessor (Assessor) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also conform to the industry audit guide, Audits of State and Local Governmental Units.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity**

For financial reporting purposes, the Assessor includes all funds that are controlled by the Assessor as an independently elected parish official. The activities of the parish government, parish school board, other independently elected parish officials, and municipal level government are not included within the accompanying financial statements as they are considered autonomous governments. These units of government issue financial statements separate from that of the Parish Assessor.

**B. Basis of Presentation**

**Government-Wide Financial Statements (GWFS)**

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**ST. MARTIN PARISH ASSESSOR**  
**St. Martinville, Louisiana**

**Notes to Basic Financial Statements (continued)**

**Fund Financial Statements (FFS)**

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Assessor is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Assessor and is used to account for the operations of the Assessor's office. The various fees and charges due to the Assessor's office are accounted for in this fund. General operating expenditures are paid from this fund.

**C. Measurement Focus/Basis of Accounting**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Measurement Focus**

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent)

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

**Basis of Accounting**

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Assessor's policy to use restricted resources first, then unrestricted resources as they are needed.

**D. Assets, Liabilities and Equity**

**Cash and interest-bearing deposits**

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.

**Capital Assets**

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair



ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-7 years
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Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budgetary and Budgetary Accounting

The Assessor follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A proposed budget is prepared for the fiscal year no later than fifteen days prior to the beginning of each fiscal year.

**ST. MARTIN PARISH ASSESSOR**  
**St. Martinville, Louisiana**

**Notes to Basic Financial Statements (continued)**

2. A summary of the proposed budget is published and the public is notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for a hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is legally adopted prior to the commencement of the fiscal year for which the budget is being adopted.
5. All budgetary appropriations lapse at the end of each fiscal year.
6. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts included in the accompanying financial statements are as originally adopted or as finally amended by the Assessor. Such amendments were not material in relation to the original appropriations.

**F. Vacation and Sick Leave**

Employees of the Assessor's office earn from 5 to 15 days of vacation leave each year (depending on length of service) and 10 days of sick leave each year. Vacation leave remaining at the end of the calendar year is converted into sick leave. Sick leave earned by employees can be accumulated but is not payable upon termination or retirement.

At December 31, 2007, there are no accumulated or vested benefits relating to vacation or sick leave that are required to be accrued or reported.

**G. Cash and Interest-Bearing Deposits**

Cash and interest-bearing deposits include amounts in demand deposits, time deposits, and interest-bearing securities invested with the Louisiana Asset Management Pool (LAMP) which are stated at cost. An investment in the amount of \$117,309 at December 31, 2007 is deposited in LAMP, a local government investment pool. In accordance with GASB Codification Section 150.165, the investment in LAMP is not categorized into the three risk categories provided by GASB Codification Section 150.164 because the investment is in the pool of funds and thereby not evidenced by securities that exist in physical or book entry form. LAMP is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana, and is

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

governed by a board of directors comprised of representatives from various local governments and state wide professional organizations. Only local governments having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short-term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest. Accordingly, LAMP investments are restricted to securities issued, guaranteed, or backed by the U.S. Treasury, the U.S. government, or one of its agencies, enterprises, or instrumentalities, as well as repurchase agreements collateralized by those securities. The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

H. Post-Employment Health Care Benefits

All employees who retire from the Assessor's office are eligible for post-retirement health care benefits. The Assessor currently funds the costs of these benefits, but the Assessor is not required to do so. If the Assessor's office should ever experience difficulty funding these costs, this practice would be discontinued. The costs of retirees' health care benefits are recognized as an expenditure when paid. For 2007, those costs totaled approximately \$7,500.

In June 2004, The Governmental Accounting Standards Board issued Statement No. 45, "Accounting and Financial Reporting by Employers for Post-employment Benefit Plans Other Than Pension Plans." The Assessor is required to implement this standard for the year ended December 31, 2009. The Assessor has not yet determined the full impact that the adoption will have on the financial statements.

(2) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2007, the Assessor has cash and interest-bearing deposits (book balances) totaling as follows:

Demand deposits	\$196,176
Time deposits	<u>789,102</u>
Total	<u>\$985,278</u>

**ST. MARTIN PARISH ASSESSOR**  
St. Martinville, Louisiana

**Notes to Basic Financial Statements (continued)**

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances), must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2007, are secured as follows:

Bank balances	<u>\$1,006,283</u>
Federal deposit insurance	\$ 495,604
Pledged securities (Category 3)	<u>510,679</u>
Total secured deposits	<u>\$ 1,006,283</u>

Pledged securities in Category 3 include uninsured or unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent, but not in the Assessor's name. Even though the pledged securities are considered uncollateralized (Category 3) Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Assessor that the fiscal agent has failed to pay deposited funds upon demand.

The Assessor had only one investment on which GASB Statement No. 31 applied. This investment was an investment in LAMP. GASB Statement No. 31 requires that investments, that fall within the definitions of said statement, be recorded at fair value. However, Statement No. 31 also states that investments in an external investment pool can be reported at amortized cost if the external investment pool operates in a manner consistent with the Security Exchange Assessor's (SEC's) Rule 2a7. LAMP is an external investment pool that operates in a manner consistent with SEC Rule 2a7. LAMP is also regulated by the Treasury of the State of Louisiana and fair value of the position in the pool is the same as the value of pool shares.

At December 31, 2007 the Assessor's investment, at cost, is \$117,309. The amortized cost of this investment at December 31, 2007 is \$117,528. Because cost approximates amortized cost, the carrying value was not adjusted.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2007 are as follows:

	<u>01/01/07</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/2007</u>
Maps	\$ 283,250	\$ -	\$ -	\$ 283,250
Office equipment	37,650	-	(5,050)	32,600
Computer equipment	29,724	9,876	-	39,600
Vehicles	<u>59,266</u>	<u>-</u>	<u>(31,892)</u>	<u>27,374</u>
Totals	409,890	9,876	(36,942)	382,824
Less: Accumulated depreciation	<u>(354,377)</u>	<u>(21,262)</u>	<u>28,437</u>	<u>(347,202)</u>
Net capital assets	<u>\$ 55,513</u>	<u>\$ (11,386)</u>	<u>\$ (8,505)</u>	<u>\$ 35,622</u>

Depreciation expense of \$21,261 was charged to the general government function.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the St. Martin Parish Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. An allowance is established for delinquent taxes to the extent that collection has not occurred in the two months following the close of the calendar year.

The taxes are based on assessed values determined by the St. Martin Parish Tax Assessor and are collected by the Sheriff. The taxes are remitted to the Tax Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2007, special assessment district taxes were levied at the rate of 3.63 mills on property with assessed valuations totaling \$167,272,364.

Total special assessment district taxes levied during 2007 were \$607,204. Taxes receivable at December 31, 2007, was \$583,613 and the allowance for uncollectible receivables was \$92,173.

(5) Pension Plan

Plan Description: The St. Martin Parish Assessor contributes to the Louisiana Assessors' Retirement Fund, a cost-sharing multiple employer defined benefit pension plan administered by a separate board of trustees. Provisions of the plan are set forth in the Louisiana Revised Statutes 11:1401 through 11:1483 to provide retirement, disability and survivor benefits for the assessors and their permanent, full-time employees. The Board of Trustees of the Louisiana Assessors' Retirement Fund issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Board of Trustees, Louisiana Assessors' Retirement Fund, P.O. Box 14699, Baton Rouge, Louisiana, 70898.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

**Funding Policy:** In 2007, plan members were required to contribute 8 percent of their annual covered salary, and the assessor was required to make contributions of 13.5 percent of the salaries. In addition, the System receives one forth of one percent of the taxes shown to be collected on the tax rolls of each parish and revenue sharing funds as appropriated each year by legislature. The employer's net actuarially required contribution for the year ended September 30, 2007 was 5.39 percent of covered payroll. The St. Martin Parish Assessor's contributions to the Retirement System for the years ended December 31, 2007, 2006 and 2005 were \$72,669, \$63,274, and \$63,226, respectively.

(6) Litigation

The Assessor's office has been named in one lawsuit. Management and legal counsel for the Assessor are of the opinion that this lawsuit will not result in any significant monetary losses. Therefore, there has been no accrual on the balance sheet at December 31, 2007.

(7) Risk Management

The Assessor is exposed to risks of loss in the areas of general and auto liability and workers' compensation. Those risks are handled by purchasing commercial insurance. There have been no significant reductions in insurance coverage during the current year nor have settlements exceeded coverage for the past three years.

(8) Expenditures of the Assessor Paid by the Parish Government

The Assessor's office is located in the St. Martin Parish Courthouse. The upkeep and maintenance of the courthouse is paid by the St. Martin Parish Government. In addition, the Parish Government also pays some of the Assessor's operating expenditures. These expenditures are not reflected in the accompanying financial statements.

(9) Deferred Compensation Plan

Certain employees of the Assessor participate in the Louisiana Public Employees Deferred Compensation Plan adopted under the provisions of the Internal Revenue Code (IRC) Section 457. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Notes to Basic Financial Statements (continued)

(10) Operating Leases

The Assessor is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment. The Assessor currently has three operating leases requiring disclosure. One lease is for a color copier, one is for a postage machine, and the other one is for a vehicle. The monthly payment on the copier lease is \$425, and the lease expires in July 2009. The monthly payment on the postage machine is \$120, and the lease expires in August 2008. The monthly payment on the vehicle lease is \$244, and the lease expires in October 2010.

Lease expense at December 31, 2007 was \$7,262. The following schedule, by years, of future minimum lease payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of December 31, 2007:

<u>Year Ending December 31,</u>	<u>Amounts</u>
2008	\$ 8,988
2009	5,904
2010	2,197
Total minimum payments required	<u>\$ 17,089</u>

**REQUIRED  
SUPPLEMENTARY INFORMATION**



ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Budgetary Comparison Schedule  
General Fund  
For the Year Ended December 31, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$ 531,205	\$ 545,205	\$ 555,707	\$ 10,502
Preparation of tax roll	7,400	7,400	7,407	7
State revenue sharing	84,000	84,000	84,599	599
Interest	25,000	41,500	44,587	3,087
Other	2,500	7,000	7,214	214
Total revenues	<u>650,105</u>	<u>685,105</u>	<u>699,514</u>	<u>14,409</u>
Expenditures:				
Current -				
Personnel services and related benefits	458,774	499,126	495,946	3,180
Operating services	72,500	61,500	53,353	8,147
Operations and maintenance	60,250	50,150	47,792	2,358
Capital outlay	15,000	7,500	9,876	(2,376)
Total expenditures	<u>606,524</u>	<u>618,276</u>	<u>606,967</u>	<u>11,309</u>
Excess of revenues over expenditures	43,581	66,829	92,547	25,718
Fund balance, beginning of year	<u>1,391,003</u>	<u>1,391,003</u>	<u>1,391,003</u>	<u>-</u>
Fund balance, end of year	<u>\$1,434,584</u>	<u>\$1,457,832</u>	<u>\$1,483,550</u>	<u>\$ 25,718</u>

## **OTHER SUPPLEMENTARY INFORMATION**

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Statement of Expenditures Compared to Budget (GAAP Basis) -  
General Fund  
Year Ended December 31, 2007

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance - Favorable (Unfavorable)</u>
<b>Current:</b>				
<b>Personnel services and related benefits -</b>				
<b>Salaries:</b>				
Assessor	\$ 87,740	\$ 123,360	\$ 123,360	\$ -
Deputies	179,800	179,800	179,802	(2)
Other	25,000	20,000	18,982	1,018
Allowance	11,274	14,336	13,180	1,156
Group insurance	60,960	60,960	60,644	316
Pension	65,000	72,670	72,669	1
Payroll tax	3,500	3,500	3,401	99
Workman's compensation insurance	3,000	2,000	1,408	592
Deferred compensation	<u>22,500</u>	<u>22,500</u>	<u>22,500</u>	<u>-</u>
<b>Total personnel services and related benefits</b>	<u>458,774</u>	<u>499,126</u>	<u>495,946</u>	<u>3,180</u>
 <b>Operating services:</b>				
Professional fees	<u>72,500</u>	<u>61,500</u>	<u>53,353</u>	<u>8,147</u>
 <b>Operations and maintenance:</b>				
Office supplies and expense	24,150	15,650	14,114	1,536
Telephone	8,500	8,500	8,549	(49)
Postage	4,500	2,500	2,541	(41)
Dues & subscriptions	2,500	3,200	3,447	(247)
Training - school and tuition	3,000	2,500	2,780	(280)
Equipment maintenance	1,500	2,500	2,321	179
Uniforms	800	300	90	210
Automobile supplies and maintenance	<u>15,300</u>	<u>15,000</u>	<u>13,950</u>	<u>1,050</u>
<b>Total materials and supplies</b>	<u>60,250</u>	<u>50,150</u>	<u>47,792</u>	<u>2,358</u>
 <b>Capital outlay:</b>				
Equipment	<u>15,000</u>	<u>7,500</u>	<u>9,876</u>	<u>(2,376)</u>
<b>Total expenditures</b>	<u>\$ 606,524</u>	<u>\$ 618,276</u>	<u>\$ 606,967</u>	<u>\$ 11,309</u>

**INTERNAL CONTROL,  
COMPLIANCE, AND  
OTHER MATTERS**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Honorable Lawrence Patin  
St. Martin Parish Assessor  
St. Martinville, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the St. Martin Parish Assessor as of and for the year ended December 31, 2007, which collectively comprise the Assessor's basic financial statements and have issued our report thereon dated March 7, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. Martin Parish Assessor's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Assessor's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Assessor's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified deficiencies in internal control over financial reporting that we consider to be significant deficiencies.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affects the Assessor's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood

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that a misstatement of the Assessor's financial statements that is more than inconsequential will not be prevented or detected by the Assessor's internal control. We consider the deficiencies described in the accompanying schedule of prior and current audit findings and management's corrective action plan as items 07-1 and 07-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material misstatement of the financial statements will not be prevented or detected by the Assessor's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. However, we consider items 07-1 and 07-2 to be material weaknesses.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Assessor's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

The Assessor's response to the findings identified in our audit is described in the accompanying schedule of prior and current audit findings and management's corrective action plan. We did not audit the Assessor's response and, accordingly, we express no opinion of it.

This report is intended for the information and use of management and others within the organization and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Breaux Bridge, Louisiana  
March 7, 2008

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Schedule of Prior and Current Audit Findings and  
Management's Corrective Action Plan  
Year Ended December 31, 2007

I. Prior Year Findings:

Compliance

There were no findings that were required to be reported under the above.

Internal Control Over Financial Reporting

Item 06-1 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.

Status:

Unresolved. See item 07-1

Management Letter Items

There were no management letter items at December 31, 2006.

(continued)

ST. MARTIN PARISH ASSESSOR  
St. Martinville, Louisiana

Schedule of Prior and Current Audit Findings and  
Management's Corrective Action Plan (Continued)  
Year Ended December 31, 2007

II. Current Year Findings and Management's Corrective Action Plan:

Compliance

There are no findings that are required to be reported under the above.

Internal Control Over Financial Reporting

Item 07-1 - Inadequate Segregation of Accounting Functions

Finding:

Due to the small number of employees, the Assessor did not have adequate segregation of functions within the accounting system.

Management's Corrective Action Plan:

Lawrence L. Patin, Assessor, has determined that it is not cost effective to achieve complete segregation of duties within the accounting department. No plan is considered necessary.

Item 07-2 – Inadequate Controls over Financial Statement Preparation

Finding:

The Assessor's office does not have a staff person who has the qualifications and training to apply generally accepted accounting principles (GAAP) in recording the entity's financial transactions or preparing its financial statements, including the related notes.

Management's Corrective Action Plan:

Mr. Lawrence Patin, Assessor, has evaluated the cost vs. benefit of establishing internal controls over the preparation of financial statements in accordance with GAAP, and determined that it is in the best interest of the government to outsource this task to its independent auditors, and to carefully review the draft financial statements and notes prior to approving them and accepting responsibility for their contents and presentation.

Management Letter Items

There are no management letter items at December 31, 2007.